

Enough of the selling activity must occur within the non-home rule municipality to justify concluding that the seller is engaged in business within the municipality with respect to that sale. See 86 Ill. Adm. Code 693.115. (This is a GIL.)

July 10, 2006

Dear Xxxxx:

This letter is in response to your letter dated May 30, 2006, in which you request information. The Department issues two types of letter rulings. Private Letter Rulings ("PLRs") are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. Persons seeking PLRs must comply with the procedures for PLRs found in the Department's regulations at 2 Ill. Adm. Code 1200.110. The purpose of a General Information Letter ("GIL") is to direct taxpayers to Department regulations or other sources of information regarding the topic about which they have inquired. A GIL is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120. You may access our website at www.tax.illinois.gov to review regulations, letter rulings and other types of information relevant to your inquiry.

The nature of your inquiry and the information you have provided require that we respond with a GIL. In your letter you have stated and made inquiry as follows:

We are engaged in the selling of gasoline and diesel fuel to various companies in our area. My company is based in CITY, Illinois and has been for over 40 years. Recently, the CITY passed an ordinance raising the effective rate of sales tax to 7.5 percent. This has resulted in making us uncompetitive in our market area as sales tax is included in our bid prices and our competitors are in lower taxed surrounding communities. In order to remain in business we are left with no choice but to move our main office or create a new sales office.

The questions I have are these:

- 1.) Can we maintain our main office in CITY and create a new sales office elsewhere?
- 2.) Does it have to be manned?
- 3.) Can we use electronic call forwarding to our main office and still maintain the call was taken in the remote office?
- 4.) Can we change all invoice forms indicating new sales office address and have payments forwarded to main office location?
- 5.) Is a P.O. Box needed at the satellite sales office?
- 6.) Can all auditable documents be kept at main office in CITY?

I am requesting a letter ruling on the above mentioned points and any help in making our move in accordance with all Illinois Department of Revenue rules and regulations.

DEPARTMENT'S RESPONSE:

You have inquired concerning jurisdictional questions regarding the Non-Home Rule Municipal Retailers' Occupation Tax. The Department has adopted a regulation concerning this matter. Please see 86 Ill. Admin. Code 693.115 enclosed. You may find other information on this matter at the Department's website, using the search term "Local Taxes."

I hope this information is helpful. If you require additional information, please visit our website at www.tax.illinois.gov or contact the Department's Taxpayer Information Division at (217) 782-3336. If you are not under audit and you wish to obtain a binding PLR regarding your factual situation, please submit a request conforming to the requirements of 2 Ill. Adm. Code 1200.110 (b).

Sincerely,

Samuel J. Moore
Associate Counsel

SJM:msk
Enc.